

Introduced by Senator JohnsonFebruary 21, 2003

An act to amend Section 82015 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 733, as introduced, Johnson. The Political Reform Act of 1974.

Existing provisions of the Political Reform Act of 1974 define the term "contribution" for the purposes of the act.

This bill would make a technical, nonsubstantive change to this provision.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill, which would declare that it furthers the purposes of the act, would therefore require a $\frac{2}{3}$ vote.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 82015 of the Government Code is
2 amended to read:

3 82015. (a) "Contribution" means a payment, a forgiveness
4 of a loan, a payment of a loan by a third party, or an enforceable
5 promise to make a payment except to the extent that full and
6 adequate consideration is received, unless it is clear from the



1 surrounding circumstances that it is not made for political
2 purposes.

3 (b) (1) A payment made at the behest of a committee as
4 defined in subdivision (a) of Section 82013 is a contribution to the
5 committee unless full and adequate consideration is received from
6 the committee for making the payment.

7 (2) A payment made at the behest of a candidate is a
8 contribution to the candidate unless the criteria in either
9 subparagraph (A) or (B) are satisfied:

10 (A) Full and adequate consideration is received from the
11 candidate.

12 (B) It is clear from the surrounding circumstances that the
13 payment was made for purposes unrelated to his or her candidacy
14 for elective office. The following types of payments are presumed
15 to be for purposes unrelated to a candidate's candidacy for elective
16 office:

17 (i) A payment made principally for personal purposes, in which
18 case it may be considered a gift under the provisions of Section
19 82028. Payments that are otherwise subject to the limits of Section
20 86203 are presumed to be principally for personal purposes.

21 (ii) A payment made by a state, local, or federal governmental
22 agency or by a nonprofit organization that is exempt from taxation
23 under Section 501(c)(3) of the Internal Revenue Code.

24 (iii) A payment not covered by clause (i), made principally for
25 legislative, governmental, or charitable purposes, in which case it
26 is neither a gift nor a contribution. However, payments of this type
27 that are made at the behest of a candidate who is an elected officer
28 shall be reported within 30 days following the date on which the
29 payment or payments equal or exceed five thousand dollars
30 (\$5,000) in the aggregate from the same source in the same
31 calendar year in which they are made. The report shall be filed by
32 the elected officer with the elected officer's agency and shall be a
33 public record subject to inspection and copying pursuant to the
34 provisions of subdivision (a) of Section 81008. The report shall
35 contain the following information: name of payor, address of
36 payor, amount of the payment, date or dates the payment or
37 payments were made, the name and address of the payee, a brief
38 description of the goods or services provided or purchased, if any,
39 and a description of the specific purpose or event for which the
40 payment or payments were made. Once the five thousand dollars

1 (\$5,000) aggregate threshold from a single source has been
2 reached for a calendar year, all payments for the calendar year
3 made by that source must be disclosed within 30 days after the date
4 the threshold was reached or the payment was made, whichever
5 occurs later. Within 30 days after receipt of the report, state
6 agencies shall forward a copy of these reports to the Fair Political
7 Practices Commission, and local agencies shall forward a copy of
8 these reports to the officer with whom elected officers of that
9 agency file their campaign statements.

10 (C) For purposes of subparagraph (B), a payment is made for
11 purposes related to a candidate's candidacy for elective office if all
12 or a portion of the payment is used for election-related activities.
13 For purposes of this subparagraph, "election-related activities"
14 shall include, but are not limited to, the following:

15 (i) Communications that contain express advocacy of the
16 nomination or election of the candidate or the defeat of his or her
17 opponent.

18 (ii) Communications that contain reference to the candidate's
19 candidacy for elective office, the candidate's election campaign,
20 or the candidate's or his or her opponent's qualifications for
21 elective office.

22 (iii) Solicitation of contributions to the candidate or to third
23 persons for use in support of the candidate or in opposition to his
24 or her opponent.

25 (iv) Arranging, coordinating, developing, writing,
26 distributing, preparing, or planning of any communication or
27 activity described in clauses (i), (ii), or (iii), above.

28 (v) Recruiting or coordinating campaign activities of campaign
29 volunteers on behalf of the candidate.

30 (vi) Preparing campaign budgets.

31 (vii) Preparing campaign finance disclosure statements.

32 (viii) Communications directed to voters or potential voters as
33 part of activities encouraging or assisting persons to vote if the
34 communication contains express advocacy of the nomination or
35 election of the candidate or the defeat of his or her opponent.

36 (D) A contribution made at the behest of a candidate for a
37 different candidate or to a committee not controlled by the
38 behesting candidate is not a contribution to the behesting
39 candidate.

1 (c) The term “contribution” includes the purchase of tickets
2 for events such as ~~dinners~~, luncheons, *dinners*, rallies, and similar
3 fundraising events; the candidate’s own money or property used
4 on behalf of his or her candidacy other than personal funds of the
5 candidate used to pay either a filing fee for a declaration of
6 candidacy or a candidate statement prepared pursuant to Section
7 13307 of the Elections Code; the granting of discounts or rebates
8 not extended to the public generally or the granting of discounts
9 or rebates by television and radio stations and newspapers not
10 extended on an equal basis to all candidates for the same office; the
11 payment of compensation by any person for the personal services
12 or expenses of any other person if the services are rendered or
13 expenses incurred on behalf of a candidate or committee without
14 payment of full and adequate consideration.

15 (d) The term “contribution” further includes any transfer of
16 anything of value received by a committee from another
17 committee, unless full and adequate consideration is received.

18 (e) The term “contribution” does not include amounts
19 received pursuant to an enforceable promise to the extent those
20 amounts have been previously reported as a contribution.
21 However, the fact that those amounts have been received shall be
22 indicated in the appropriate campaign statement.

23 (f) The term “contribution” does not include a payment made
24 by an occupant of a home or office for costs related to any meeting
25 or fundraising event held in the occupant’s home or office if the
26 costs for the meeting or fundraising event are five hundred dollars
27 (\$500) or less.

28 (g) Notwithstanding the foregoing definition of
29 “contribution,” the term does not include volunteer personal
30 services or payments made by any individual for his or her own
31 travel expenses if the payments are made voluntarily without any
32 understanding or agreement that they shall be, directly or
33 indirectly, repaid to him or her.

34 SEC. 2. The Legislature finds and declares that this bill
35 furthers the purposes of the Political Reform Act of 1974 within
36 the meaning of subdivision (a) of Section 81012 of the
37 Government Code.

